Sanitized Copy Approved for Release 2010/07/16: CIA-RDP90-00552R000403850026-5

STAT THE APPEARED

USA TODAY 24 January 1985

Key senator pushes option to 'contra' aid

By Juan J. Walte USA TODAY

The Senate's top Republican foreign policy figure predicted Wednesday that President Reagan will probably fail in his attempt next month to have Congress reinstate secret CIA funds for Nicaragua's anti-Sandinista guerrillas.

"The covert aid situation," said Sen. Richard Lugar, chairman of the Senate Foreign Relations Committee, "is not a viable proposition because it's no longer covert."

Instead, Lugar told the National Press Club, Congress and the administration are now "on the threshold of formulating a new policy" that would stop "Soviet assertiveness of picking apples off the table" in Central America and elsewhere.

The issue of renewed CIA funds for Nicaraguan rebels could become Reagan's first big fight on Capitol Hill.

The president is expected to ask Feb. 28 that Congress lift the ban that it imposed last October after having reluctantly approved \$24 million for the CIA-funded "contra" guerrillas in 1983.

Reagan — anticipating the battle — insisted Wednesday that Nicaragua's leftist government still seeks "to overthrow the Salvadoran government." And he said that Nicaraguan-bound Soviet arms shipments have not been "completely headed off."

In Central American developments Wednesday:

■ The U.S.-backed rebels rejected an amnesty offer just 24 hours after it was made by Nicaraguan President Daniel Ortega, who took office Jan. 10.

■ Soldier of Fortune magazine is distributing the CIA's controversial manual for Nicaraguan guerrillas to rebels based in Costa Rica, said executive editor Dale Dye.